

FOREWORD

Bekaert, as the biggest independent producer of wire and wire products in the world, is fully committed to the principle of Total Quality Control. Quality is our first mission.

One of the prerequisites to achieve this, is to be assured of wire rod of high consistent quality, and guaranteed to be defect-free.

Bekaert, therefore, requires its suppliers to demonstrate sufficient assurance of quality, and a capability to consistently manufacture and deliver high quality and defect-free products.

1. PURCHASE SPECIFICATIONS

Every product purchased by Bekaert must meet the purchasing specifications for that product. These specifications are determined in consultation with the supplier and must be fully understood by both parties.

All parameters of the specifications have quantitative or qualitative requirements for which clearly defined evaluation methods are stated and agreed upon.

Specifications will also cover packaging, labelling and methods of transportation.

2. PROCESS CONTROL

The wire rod must be manufactured by a process identified by the supplier and approved by Bekaert. Substantial changes in the manufacturing process may not be introduced without Bekaert's written consent.

Corresponding quality code, testing and follow-up must be agreed upon by Bekaert Purchasing and quality department.

The supplier must demonstrate an effective process control and produce, consistently, the agreed quality level.

3. TEST REPORT

The goods will be certified by the supplier by means of a test report. This report is considered to be an integral part of a shipment.

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Purchasing dept.

Approved by:  
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Quality Mgt

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#### 4. QUALITY MANAGEMENT SYSTEM

Bekaert expects that their suppliers have established a Quality Management System in according to ISO 9001 and working towards ISO 16949, which is designed to assure that supplied products, are conform to the agreed purchasing specifications and give satisfaction during production and end-use.

The delivered wire rod heats and coils must be identified and be traceable to all important process and product data.

#### 5. QUALITY IMPROVEMENT PROGRAM

Bekaert expects that their suppliers have developed the habit of making constant improvements in quality and productivity. All departments must be involved.

Quality data are discussed at regular intervals and new action points for quality improvement are set.

#### 6. ANOMALIES AND CORRECTIVE ACTION

In the case that the process or product inspection by the supplier or the incoming inspection by Bekaert or the processing reveals abnormal properties of the wire rod, the supplier must at once collaborate with Bekaert to establish the nature and the degree of anomaly.

Anyway, a contingency plan should be available according to F.M 07.06.20

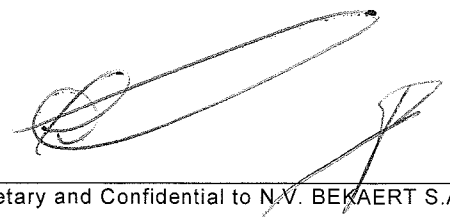
Whenever the wire rod is found to be out of specification or has properties which could be deleterious for the aimed application, the supplier must be prepared to accept a downgrading or removal and replacement of the suspect wire rod.

#### 7. SUPPLIER EVALUATION AND APPROVAL

An evaluation of the suppliers product and processes is required before the suppliers product is approved.

This involves evaluation of samples and trial heats.

Bekaert's Corporate Purchasing Department is allowed to purchase wire rod only from approved suppliers. Quantities are determined in consultation with the Quality Department.



Suppliers can be disqualified for reasons such as the following : inability to provide evidence of an adequate Quality Management System, the reoccurrence of quality problems, inadequate process capability, inability to achieve quality improvements over time, being unresponsive to requests for product improvements or for solution of quality problems, being non competitive with competitors in product quality, or not having supplied products for an extended period of time.

A separate supplier approval is required for every product and each production facility.

A handwritten signature in black ink, consisting of a large, stylized initial 'B' followed by a series of loops and a final flourish.